The following statement shows the annual expenditure per employee in steel industry in India and in other countries :

	Employment Cost per annum per Employee (Rupees)		
	1983-85	1984-85	Sources
SAIL (Excluding IISCO)	25363	27609	(1) Annual Accounts of SAIL Nippon Steel & British Steel Corporation.; (2) World Steel Dynamics (August, 1985) core report V for Pohang Steel (Korea)
Nippon Steel (Japan)	287588	297885	
Pohang Steel (Korea)	186360	189952	
British Steel Corporation (UK)	78525	105595	

(c) The following steps have been taken to increase steel productivity in the SAIL integrated steel plants :

Ensuring adequate availability of inputs of the right quality and in the required quantity particularly coking coal including import of low ash coking coal.

Optimisation and augmentatio of captive power generation.

Systematic maintenance of equip ment.

Strict adherence to technological norms.

Moulding a better work culture which focuses primarily on better team work and higher levels of discipline.

Increasing produc.ion while keeping strict control on manpower so as to increase productivtity.

Modernisation and technological upgradation.

R&D efforts for improving productivity and efficiency.

Price of aluminium

547. SHRI VITHALBHAI MOTIRAM PATEL : Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that the price of aluminium in the country is much higher than the international price;

(b) what are the reasons for higher prices for aluminium in the country;

(c)Which are the public sector units manufacturing aluminium and whether they are making profit or loss; and

(d) what are the reasons for the losses by public sector units if any, what are the details thereof during the last two years?

THE MINISTER OF STATE IN THE DEPARTMENT OF MINES IN THE MINISTRY OF STEEL AND MINES (SHRIMATI RAMDULARI SINHA): (a) Yes, Sir.

(b) Production of Aluminium in India is costlier mainly because of power costs as well as higher costs of some other input materials.

(c) and (d) Bharat Aluminium Company Limited (BALCO) is the only public sector unit producing aluminium at present and it is incurring losses. National Aluminium Company Ltd. (NALCO), another public sector unit, is under construction. The losses incurred by BALCO during the last two years are:

	(Rs. crores)	
1984-85	14-75	(excluding interest on Government loan).
1985-86	66-73	(including interest on Government loan amounting to Rs. 28·73 crores).

The losses are maily due to steep increase in power tariffs and in the cost of other input materials.

Maharashtra Electrosmelt Limited, Chandrapur

548. SHRI NARESH C. PUGLIA: Will the Minister of STEEL AND MINES be pleased to state :

(a) whether Steel Authority of India Ltd. has taken over the Maharashtra Electrosmelt Limited, Chandrapur, if so, when ;

(b) what measures have been-taken for increasing production of steel since its take-over ;

(c) what steps are proposed to be taken to bring about improvement in the working of the Maharashtra Electrosmelt Limited ;

(d) whether it is a fact that a team from Russia had undertaken a survey with a view to increase production of the company ; and

(e) if so, what are the recommendations made in this regard ?

THE MINISTER OF STEEL AND MINES (SHRI K.C. PANT): (a) Yes, Sir. Management of the Maharashtra Electrosmelt Limited (MEL) has been taken over by SAIL from 1st January, 1986, and legal formalities for taken over have been completed on 18th October, 1986.

(b) Steel production at MEL, which was stopped since 1982, was re-started in September, 1986. Due to technical and maintenance problems in Oxygen Plant, the steel production has been stopped and major repairs of Oxygen Plant are under progress. It is expected that the Oxygen Plant will be ready for re-commissioning shortly, thereafter the steel making operation will be resumed.

(c) to (e) The existing facilities available for production of ferro-manganese will be utilised fully to maximise the production of ferro-manganese. These facilites will also be utilised for production of other ferro alloys to the extent feasible.

Facilities available with MEL, particularly in the integrated steel making and continuous casting areas, will be used by Research and Development Centre for Iron and Steel of SAIL as their captive facilities for carrying out different Research and Development activities.

The Soviet specialists at R & D Centre for Iron and Steel of SAIL at Ranchi are assisting MEL with regard to developments of new technologies.

Writing off losses of FCI

549. SHRI N.E. BALARAM : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether any decision has been taken to write off Rs. 600 crores of storage and transport losses of the Food Corporation of India without following the laid-down procedure of regularising such losses ;

(b) if so, the reasons and details of the losses suffered ;

(c) what are the norms fixed by the Government regarding FCI storgage and transit losses ;

(d) whether FCI was directed to appoint specific charactered accountants to look into the operations of 40 depost all over the country ;

(e) if so, the details thereof;and

(f) whether FCI acted on these directions ?